



January 31, 2003

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DIV. OF OIL, GAS & MINING

D. Wayne Hedberg Permit Supervisor Minerals Reclamation Program Department of Natural Resources Division of Oil, Gas and Mining State of Utah 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801

VIA FAX (801) 359-3940

Dear Wayne:

Pleased find herein the Annual Reports for Basin Perlite Company's Pearl Queen Perlite mine, M010027, and the Snowlake Property, S27010 for the Year 2002. We have included two reports for the Pearl Queen perlite mines as Basin is now operating in two pits, the Pearl Queen pit and the Schoo pit. A original of this report has been mailed to you with the SURFACE DISTURBANCE MAP, DECEMBER 2002 for the Pearl Queen Perlite Mine. The map related to the Snowflake Property is being sent to this office by Jay Gatten and will be forwarded to you under separate cover. You should receive the original of this report and the second map next week.

If you or your staff has any questions regarding these reports, please call me at (720) 904-1900.

Very truly yours,

William R. Wilson

President

Basin Perlite Company

CC:

Tim Hall - Basin Perlite Company

Jay Gatten - North American Exploration, Inc.

2160 Republic Plaza - 370 17th Street Denver, Colorado 80202 (720) 904-1900 (720) 904-1904 Fax

P.O. Box 490, 533 S. Industrial Loop Rd. Milford, Utah 84751 (435) 387-2100 (435) 387-2403 Fax

(Revised 2/2001)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291

Fax; (801) 359-3940

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DIV. OF OIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

Į,	Gene	eral Information					
	1.	Report Time Period: From (mo./yr.) 1/02 To (mo./yr.) 12/02					
	2.	DOGM File Number (Mine No): M/01 / 027					
	3.	Mine Name: Pearl Queen Perlite					
	4.	Mineral(s) Mined (or permitted to mino): Perlite					
	5,	Type of mine Surface Mine or Underground Mine					
	6.	Legal Description (Location of Lands Affected):					
		1/4,1/4,1/4, Section2 Township275 , Range9W					
		1/4,1/4,1/4, Section, Township Range					
		1/4,1/4, Section, Township, Range					
7.	Name of Operator or Company: Basin Perlite Company						
	8.	Permanent Street Address: 2160 Republic Plaza 370 17th Street					
		City, State, Zip: Denver, CO 80202					
		Phone: 720 904-1900 Fax: 720-904-1904					
9. Company Representative (or designated operator):							
		Name: William R. Wilson					
!		Title: President					
		Business Address: 370 17th Street, Suite 2160					
		City, State, Zip: Denver, CO 80202					
		Phone: 720 904-1900 Fax: 720 904-1904					
		Please check if any of the above information has changed since previous year.					
M.	Minti	ng and Reclamation					
	1.	Was there any mine related activity during the past year? Yes ☒ No □					
	2.	If no - what was the last year of activity?					
	3.	If yes - how much ore or mineral was mined? 39,259 tons hauled to the					
		plant for processing. 37,296 tons processed and					
		.1. 27,843 tons shipped.					

4,	Briefly describe the type of work performed, volume of material moved, and any new of additional surface disturbances that occurred during the past year.					
	Mined 40,000 tons in 2002 with ore crushed to - 1 1	/2 ⁿ				
5.	How much additional acreage was disturbed during the past year? < 1 acre					
6.	How much acreage was reclaimed during the past year? Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.					
7.						
	Minor recontouring in the south end of the pit.					
8.	What is the total disturbed acreage of entire project at years end? 12 acres					
9.	Briefly summarize any mining and/or reclamation plans for the upcoming year.					
	No mining planned in 2003. Continuing the					
	recontouring in the south and east end of the pit.					
	in 2003;					
NOTE:	Section III., "Additional Information" applies only to large mining operations.					
III. <u>Addition</u>	al Information - R647-4-121.2 and .3	•				
1.	The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.					
2.	The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.					
IV. <u>Signatu</u>	re Requirement					
I he	ereby certify that the foregoing is true and correct.					
	Name (Typed or Print): William R. Wilson					
	Title of Operator: President					
	Signature of Operator:					
	Date: January 30, 2003					

jb

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STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801

Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940 RECEIVED

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DIV. OF OIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Recismation Act, Title 40-8, Utah Code Annotated 1952, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

T.	General Information						
	1.	Report Time Period: From (mo./yr.) 1/02 To (mo./yr.) 12/02					
	2.	DOGM File Number (Mine No):M / 01 / 027 Mine Name: Schoo					
	3,						
	4.	Mineral(s) Mined (or permitted to mino):					
	5 .	Type of mine					
	6.	Legal Description (Location of Lands Affected):					
		1/4,1/4,1/4, Section1, Township _ 275_ Range _ 9W					
		1/4,1/4, Section, Township, Range					
		1/4,1/4, Section, Township, Range					
7.	Name	of Operator or Company: Basin Perlite Company					
	8.	Permanent Street Address: 2160 Republic Plaza, 370 17th Street					
		City, State, Zip: Denver, CO 80202					
		Phone: 720 904-1900 Fax: 720 904-1904					
	9.						
		Name: William R. Wilson					
		Title: President					
		Business Address: 370 17th Street. Suite 2160					
		City, State, Zip: Denver, CO 80202					
	Ž.	Phone: 720 904-1900 Fax: 720 904-1904					
		Please check if any of the above information has changed since previous year.					
	10.4						
Π,	Minin	g and Reclamation					
	ı.	Was there any mine related activity during the past year? Yes ☑ No □					
	2.	If no - what was the last year of activity?					
	3,	If yes - how much ore or mineral was mined? 21,536 tons hauled to the					
	•	plant for processing, 20,459 tons processed and					
		15,273 tons shipped					

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THE ACCUSAGE AND A	4.	Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.					
		Mined 21,000 tons in	2002 with ore crushed				
		to 1 1/2"					
	5.	How much additional acreage was distr	as reclaimed during the past year? None				
	6.	How much acreage was reclaimed during					
7. Briefly describe the reclamation work performed during the past year. This describes should include methods employed, and an evaluation of the results. None							
•	8.	What is the total disturbed acreage of e	ntire project at years end? 4 acres				
	9,	Briefly summarize any mining and/or rec	lamation plans for the upcoming year.				
		Mine 50,000 - 75,000 tons in 2003. Upon app					
			overing plant fines.				
NOT		Section III., "Additional Information" ap	plies only to large mining operations.				
ш. д	<u>aamonai</u>	<u>Information - R647-4-121.2 and .3</u>	•				
	1.	The operator shall include an updated mup depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.					
	2,	The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.					
rv. <u>s</u>	Signature	Requirement					
	I here	by certify that the foregoing is true					
		Name (Typed or Print):	William R. Wilson				
		Title of Operator:	President				
		Signature of Operator:	BALK. BL				
		Date:	January 30, 2003				
<i>j</i> b							

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